

Benjamin J. Otto (ISB No. 8292)
710 N 6th Street
Boise, ID 83701
Ph: (208) 345-6933 x 12
Fax: (208) 344-0344
botto@idahoconservation.org

RECEIVED
2013 AUG 20 PM 1:35
IDAHO PUBLIC
UTILITIES COMMISSION

Attorney for the Idaho Conservation League

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)
APPLICATION OF IDAHO POWER)
COMPANY FOR A DETERMINATION)
OF 2012 DEMAND-SIDE)
MANAGEMENT EXPENDITURES AS)
PRUDENTLY INCURRED)

CASE NO. IPC-E-13-08

COMMENTS OF THE IDAHO
CONSERVATION LEAGUE

The Idaho Conservation League (ICL) recommends the Commission find prudent Idaho Power's 2012 Demand Side Management (DSM) expenses. Overall, the 2012 DSM report documents another year of delivering a broad array of cost effective energy efficiency and demand response programs. ICL supports Idaho Power's efforts to add and remove measures and programs in response to changing energy savings potentials, market penetrations, avoided costs and consumer demands. ICL also notes that several DSM programs continue to be highly cost effective - Energy House Calls with a TRC of 4.08, Rebate Advantage with a TRC of 3.51, Custom Efficiency with a TRC of 2.10, and Easy Upgrades with at TRC of 3.47. Idaho Power should double efforts in these programs to achieve greater energy savings.

ICL has a few comments regarding Idaho Power's 2012 DSM report and this application.

Idaho Power identifies 481 A/C Cool Credit switches installed since the temporary suspension of the program in December of 2012.¹ ICL agrees with the Company proposal to treat these costs as essentially plant held for future use. The program continues to be cost effective, deliver potential demand reductions, and is the most popular and recognized residential DSM program. When the program returns these switches can deliver cost effective demand reduction.

¹ Nemnich Direct at 15 – 17.

Idaho Power identifies two programs as not being cost effective during 2012, Weatherization Assistance for Qualified Customers, operated along with the CAP Agencies, and Weatherization Solutions for Eligible Customers for limited income customers.² While post program evaluations reduced the energy savings attributable to the programs, ICL believes Idaho Power acted prudently in 2012. Mrs. Nemnich's testimony describes certain steps the Company is taking to improve the program delivery and the energy savings estimate tools. ICL looks forward to continuing to work with stakeholders to improve these programs target at customers most in need of reduced energy bills.

While Idaho Power continues to operate cost effective DSM programs, ICL is concerned about the Company's pursuit of all cost effective DSM based on certain actions during the 2012 program year. First, ICL is concerned with Idaho Power's abrupt decision to not participate in the Northwest Energy Efficiency Alliance's (NEEA) upcoming budget cycle. NEEA continues to deliver cost effective energy savings though complex, regional market transformation programs. Despite repeated conversation through the Energy Efficiency Advisory Group, of which ICL is a member, Idaho Power has yet to explain how the Company can deliver market transformation in Idaho outside of NEEA's programs.

In a similar vein, ICL is concerned of reports that Idaho Power is hesitant to participate in the Energy Efficiency Research Institute at Boise State University. Performing and supporting market transformation, research, and development is essential to closing the gap between Idaho's cost effective energy efficiency potential and acquired savings. ICL urges the Commission to affirm that supporting these DSM activities that lead to future energy savings is prudent.

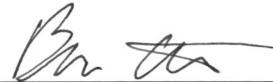
ICL is also concerned by Idaho Power's suspension of cost effective demand response programs. While ICL initially acquiesced in the suspension and participated in the suspension docket, we believe the rush to suspend the programs was unnecessary. The implication of Idaho Power's actions is that Demand Response programs are seen as expendable, able to be eliminated at any time, despite investing millions of ratepayer dollars to grow the system over the past ten years. ICL will continue to work in good faith with the stakeholders in the current workshops to revise the programs. However, ICL urges the Commission to affirm that cost

² Nemnich at 23 – 27.

effective Demand Response programs are a prudent use of ratepayer funds and Idaho Power should leverage the existing investment fully.

Idaho Power's suite of DSM programs continue to provide cost effective opportunities for all ratepayers to participate in energy saving programs. ICL recommends the Commission find Idaho Power 2012 DSM expenses as prudently incurred. ICL also urges the Commission to reaffirm that non-programmatic energy savings through market transformation, research, and development are an important part of a prudent suite of DSM activities. Also, ICL urges the Commission to reaffirm that Idaho Power should continue to leverage the existing investment in cost effective demand response programs.

Respectfully submitted this 20th day of August 2013,



Benjamin J. Otto
Idaho Conservation League

CERTIFICATE OF SERVICE

I hereby certify that on this 20 th day of August 2013, I delivered true and correct copies of the foregoing COMMENTS to the following persons via the method of service noted:

Hand delivery:

Jean Jewell
Commission Secretary (Original and 7 copies provided)
Idaho Public Utilities Commission
427 W. Washington St.
Boise, ID 83702-5983

Electronic Mail:

Julia A. Hilton
Regulatory Dockets
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707
jhilton@idahopower.com
dockets@idahopower.com

Darlene Nemnich
Tim Tatum
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707
dnemnich@idahopower.com
ttatum@idahopower.com



Benjamin J. Otto